

# Calculate Break-Even Point

## A. Variable Cost (from Analyze Annual Revenue p. 15)

- |                          |       |   |
|--------------------------|-------|---|
| 1. Food % Revenue        | _____ | % |
| 2. Paper % Revenue       | _____ | % |
| 3. Other Labor % Revenue | _____ | % |

Total Variable Cost (1+2+3)

_____	%
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## B. Fixed Costs (From Convert Annual Expenses to Average Daily Costs p.17)

- |                                |          |
|--------------------------------|----------|
| 1. Average Daily Labor         | \$ _____ |
| 2. Average Daily Equipment     | \$ _____ |
| 3. Average Daily Overhead      | \$ _____ |
| 4. Average Daily Miscellaneous | \$ _____ |

Total Fixed Cost (1+2+3+4)

\$ _____
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## C. Revenue

- |  |          |
|--|----------|
| 1. Total Daily Breakfast Revenue (p.9) | \$ _____ |
| 2. Total Daily Lunch Revenue (p.12)    | \$ _____ |

Total Daily Revenue (1+2)

\$ _____
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## D. Calculate Break-Even Point

The break-even point is the point at which expenses and total revenue are exactly equal. It can be expressed in dollars or as a percent of revenue.

To calculate the break-even point:

$$1. \quad \frac{100\%}{\text{Total Variable Cost}} = \frac{\text{Contribution Margin}}{\text{Contribution Margin}}$$

$$2. \quad \frac{\text{Total Fixed Cost}}{\text{Contribution Margin (Calculate as a decimal)}} = \frac{\$ \text{ Break-Even Point}}{\text{Break-Even Point (Round to the nearest whole dollar)}}$$